

IN UNITED STATES DISTRICT COURT
for the
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

Civil Action

R. Lance FLORES, and
Vicki CLARKSON,

v.

Scott Anthony KOSTER, *et al.*

Plaintiffs,

Defendants.

Nº

PLAINTIFFS' EXHIBITS
VOLUME 2

[Note: ●→ or #● annotations are reference marks added for referential clarity. — &c. some message inclusions omitted]

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EXHIBIT 027 - John Childs Thu, 11 Mar 2010 Response to Flores Thu, Mar 11, 2010 Status Inquiry

----- Original Message -----

Subject: Re: Re: Status/Schedule
Date: Thu, 11 Mar 2010 17:07:15 -0800
From: John Childs <jtchilds@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>
CC: Kerim Emre <kerim.emre@gmail.com>

Lance,

No, I do not think it unreasonable to ask questions. However, please consider the question you are asking me. You are asking me why there is not platform managers report. I do not have direct access to the platform or the platform manager as i am neither a principal or a PSA client. If they wont speak directly to you, the PSA client, there is no way they will speak to me.

The fact of the matter is that we all know exactly what has been going on. We, including myself, may not like how long it has taken but we have been updated. It is funny you should say that about a trade. My experiences have been completely the opposite. What I mean is that it is not a matter of if there will be a delay but what that delay might be.

On Thu, Mar 11, 2010 at 4:47 PM, Lance @ MFI <lance@mockingbirdfilms.com> wrote:

Looks like Thursday will be over soon. Why isn't there a platform manager's report? The funds were collected 83 days ago and no one knows what's been going on? I have never seen any trade operate like this. Do you think it is unreasonable to be asking these questions?

Lance

----- Original Message -----

Subject: Re: Status/Schedule
Date: Wed, 10 Mar 2010 09:41:00 -0600
From: Scott Koster <koster.scott@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>

Lance, I have some news, but I want to wait until I hear back from the trader confirming what I was told late last week, before I put it out to the PSA members. (&c.)

—
Regards,

John Childs
Independent Contractor
Direct: 1-925-858-3987
Fax: 1-925-407-8440
Skype: john.childs.cft (&c.)

EXHIBIT 028 – Koster Tue, 16 Mar 2010 10:24:18 -0500 Msg. w/incl. Koster 3/15/2010 12:13 PM

----- Original Message -----

Subject: Re: Status/Schedule

Date: Tue, 16 Mar 2010 10:24:18 -0500

From: Scott Koster <koster.scott@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>

That is what Im honestly thinking. The biggest thing right now is making sure that they can make the timelines that they last outlined. I keep being told that there is a solid update coming to me, and they have been eluding to funding dates coming very shortly, but at the same time have talked about this second option, for people who cannot wait. I have a crapload of money stuck into this, and with tax season on us, its getting alittle tight for me, until I either close my next transaction, or get a funding going. I just didnt plan on this taking so long, or I would not have extended myself so far into this, all at once...

The James that your refering to, what is his last name? Also, have you talked to John about instruments at all? He has some connections that are super solid for legit instruments. I actually have been using them, and everything checks out on them, all the way to the funds backing them.

On Tue, Mar 16, 2010 at 9:44 AM, Lance @ MFI <lance@mockingbirdfilms.com> wrote:

Scott --

In either scenario you chose we should be able to tell James and my Lender/Monetizer we can acquire the lease of a BG within a week following April 2nd, based on the last update that IDLYC will pay the Australian group this Friday, the second group the 26th, and our group on the 2nd of April.

Lance

On 3/15/2010 12:43 PM, Lance @ MFI wrote:

> If you've seen proof of performance and you really trust these guys .. then we should go all the way then .. Lance

>

> On 3/15/2010 12:13 PM, Scott Koster wrote:

>>

>> Lance,

>>

>> We are in no way shape or form being lowballed or screwed out of profits, but as a short term solution, that might just be a real option. I will call you directly as soon as I talk with the

trader. ①→ Myself and my attorney have seen proof with our own eyes of this working, and where the holdup is, so its not an issue of nonperformance, or deliberate delays. As I stated very early on, this is one of the only trade groups that I trust, as I have seen performance by them in the past.
>>

--

Scott A. Koster
koster.scott@gmail.com
info@alicorncapitalmanagement.com
Direct: 612-916-7007
Conference Line: 218-844-8230
Access Code: 380262#
Skype: alicorn.capital

EXHIBIT 029 – Koster msg. Re: Status/Schedule Thu, 18 Mar 2010 13:59:47 -0500

----- Original Message -----

Subject: Re: Status/Schedule

Date: Thu, 18 Mar 2010 13:59:47 -0500

From: Scott Koster <koster.scott@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>

Lance,

I applogize [*sic*] for not getting with you sooner. I have honestly just been busy with life here at home, and have not been on the computer much. ☞ I just received an update from one of my partners on another instrument who did talk to the trader, and it is looking like we will be on track for the April 2nd payouts. I will actually be out of the country then, so I will be communicating via email with everyone to keep track of things, and getting current updates to all.

I did talk to the trader on Monday, and he stated that if there were any delays, they would be SWIFT related delays, and would only hold things up for a few days.

On Thu, Mar 18, 2010 at 1:28 PM, Lance @ MFI <lance@mockingbirdfilms.com> wrote:

I don't know about the "timelines that they last outlined" but my last update from brokers was that April 2nd was a good date. Is this still good?

I'm headed to San Antonio tonight to try and salvage something on the studio property. I'll only be available by cell phone after tonight.

Lance
214-837-0282

On 3/17/2010 1:31 PM, Lance @ MFI wrote:

Do you have a consensus from your partners yet?
Lance

On 3/16/2010 10:24 AM, Scott Koster wrote:

That is what Im honestly thinking. The biggest thing right now is making sure that they can make the timelines that they last outlined. <snip>

—
Scott A. Koster
koster.scott@gmail.com (&c.)

EXHIBIT 030 – John Childs Fri, 26 Mar 2010 w/fwd msg fr Koster Mar 26, 2010 at 12:43 PM

----- Original Message -----

Subject: Fwd: IDLYC Program update
Date: Fri, 26 Mar 2010 13:09:41 -0700
From: John Childs <jtchids@gmail.com>
To: jtchids@gmail.com

Hello All,

First, I want to thank everyone for their patience in waiting for this update. Scott can only disseminate the information upon receipt and verification of it. A lot of what we have been hearing has proven to be rumors and only rumors. So again, thanks for your patience. That said please read below for your update.

----- Forwarded message -----

From: Scott Koster
Date: Fri, Mar 26, 2010 at 12:43 PM
Subject: IDLYC Program update
To: John Childs - Mobile <jtchids@gmail.com>

To all Profit Share clients,

I do apologize for the lack of communication directly from me to you. I have been waiting to hear something solid to report, and finally have that piece of information for you. As some of you know, for several weeks there have been rampant rumors going around that funds for this program have been sent to the US and to NZ, that funding has taken place for clients in Australia, that the program had closed, and several others. Only one of those has any truth to it. ①→ Funds have been received here in the US for the purpose of our program through IDLYC, as well as several others. This has been 100% confirmed to be true directly by the head trader at HSBC HK, as well as by the CEO's of IDLYC, the two bodies transacting this program for all of the principals. There are still a few hurdles to overcome, and there is still a risk that things could fall apart if not dealt with in the utmost professional manner on the part of the traders and facilitators of this transaction.

②→ There have been numerous hangups along the way, to include one principal making direct death threats to the program managers, then going to the FBI to try to ruin the whole program after he was kicked out. ③→ HSBC is has been more than difficult in moving the funding along, as they continue to collect interest on the funds the longer they hold them in their hands. As you can imagine for the program directors, this has been less than what they expected or wanted to happen, not only for themselves, but also for all of the principals.

I have spoke with some of you regarding the possibility of my partners and I looking at taking an

offer of a lesser payout, in exchange for an expedited payout from a different program that they are running. This is no longer on the table, and we have committed together as principals to wait it out unless there is a drastic change of events.

④→ Currently, we are looking at approximately 2-4 weeks for full funding to take place. There may be one small funding, which will be the principals initial investments, and the following week a payout. This is information that has been confirmed directly, and is not second hand information, or rumor.

As always, I directly want to thank you all for your continued patience and focus in this transaction. In addition to this transaction, we focus most of our attention on managed buy/sells regarding commodities, and in the near future, you will all be receiving and email regarding those transactions, as to take some of your proceeds, and get them immediately working for you to generate additional working capital.

I have included an email addressed to all the the principals from the CEO of IDLYC Holdings and Trust.

Attention Clients;

At this point it may be tough to relay something that would sound consoling [*sic*] presently given your various perspectives. ⑤→ Our bankers have expressed that funds are eminent nearly every day for at least a week and a half. We did have an issue after the Chinese new year, but that was handled and we were not expecting further delays. We do feel that things are going to finalize shortly, but certainly understand that your patience is wearing thin. Ours is as well. Banks historically have a habit of delaying funds as long as possible to keep their balance sheet as high as possible to get as much interest as possible before relinquishing control.

We cannot voice our issues at the higher levels but so much, as when anger or emotions become involved at the bank level, deals die very quickly despite their advanced state, and we cannot disturb our decade-long relationships. We have relayed some complaints and it has been made clear that everyone will follow the contract to the letter.

If requested, the contract states that IDLYC Holdings Trust will return initial funds upon written demand. In the event that you have lost your patience completely, or are out of time given your own internal pressures whatever they might be, let us know and we will forward you a demand letter and release for your funds ready to sign.

Please do not think at any moment that we are not DILIGENTLY working on your transaction, and trying to finalize it EVERY DAY.

⑥→ Your rights apropos of continuance, are very simple, and clearly stated within the contract. We do expect everyone to remain professional despite the hiccups. And for those it applies to, in the event we hear profane threats of any kind (legal, civil, or physical) we will immediately cancel

your transaction.

We are in no way encouraging you to request the return of your funds. Quite the contrary, we are confident that if you remain patient it will serve you righteously in the end.

Again our deepest apologies.

Sincerely,
Best Regards,

--

Scott A. Koster
info@alicorncapitalmanagement.com
Direct: 612-916-7007
Conference Line: 218-844-8230
Access Code: 380262#
Skype: alicorn.capital

EXHIBIT 031 – Lance Flores Fri, 26 Mar 2010 msg.

From: "Lance @ MFI" <lance@mockingbirdfilms.com>
To: John Childs <jtchilds@gmail.com>
CC:
Subject: Fwd: IDLYC Program update
Date: Fri, 26 Mar 2010 20:52:11 GMT
Content-Type: text/plain; charset=utf-8

Well, I've never seen anything like this. It doesn't tell us anything except we're not going to get paid again. So the 2nd is out and maybe another month, at which time if the history of this project holds, we'll told of another month delay. Why in three months can't anyone get a straight answer.

Well I'm hung out to dry, once again having depended on shaky information. We still don't know what is going on. Why 2-4 weeks?

What happened that things have changed?

They had the funds for 90 days. What are they doing with it?

Well I guess the guy who was kicked out has nothing more to lose. Perhaps we'll hear from him what is going on. Is he going to file suit? Should we expect a call from the FBI?

All we can do is wait patiently in the dark for more bad news I guess.

Best wishes,

Lance

EXHIBIT 032 – Lance Flores Mon, 29 Mar 2010 msg.

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: Fwd: Fwd: IDLYC Program update

Date: Mon, 29 Mar 2010 16:07:36 GMT

Content-Type: text/plain; charset=utf-8

Scott, I'd like to get through the riddles and vagueness; perhaps get some clarification.

EXHIBIT 033 – Lance Flores Wed, 14 Apr 2010 to Scott Koster w/IDLYC complaint

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: Status/Schedule

Date: Wed, 14 Apr 2010 01:55:42 GMT

Content-Type: text/plain; charset=utf-8

Scott – it's been 116 days, is there any chance of getting a documented answer from Mark by Wednesday? I need to leave on a business trip to reconcile damages from planning around information on this trade.

Best Regards,
Lance

On 4/12/2010 3:53 PM, Scott Koster wrote:

Lance, to my knowledge they have not, but I also have not spoke to anyone since last week. I will put out another update as soon as I hear officially what is going on

This was an interesting find, sounds like Bernie Madoff story:

Ripped-Off <<http://insidetradellc.com/forum/members/ripped-off.html>>

Junior Member

Join Date: Apr 2010

Posts: 1

***DR. W. CHANDLER REYNOLDS - Mark Gelazela RIP_OFFS**

<<http://insidetradellc.com/forum/802-post44.html>>, * Posted 04-02-2010,

09:18 AM #*44* <<http://insidetradellc.com/forum/802-post44.html>>

(*permalink<<http://insidetradellc.com/forum/fraud-protection/23-blacklist-private-placement-brokers-traders-avoid-5.html#post802>>*)

JCOTA - Just Charities of the Americas - DR. W. CHANDLER REYNOLDS - Mark Gelazela - Idlyc Holdings Trust - BMW MAJESTIC - iBalance LLC Guranteed Huge Money Returns in 4-7 days in exchnage for hundreds of thuosands of dollars and I did it and ITS A SCAMMMM!! Los Angeles California, Florida Mark Gelazela and DR. W. CHANDLER REYNOLDS are a couple of smooth operators. The story begins, I just got ripped off from another company called US Capital for \$350,000 and these two guys came to the rescue. They said, we will get all that investment you lost and more back in 4-7 days and it will only cost you \$150,000. They conitued, I said I cant take another loss as my whole trust that I built my whole life is verging colapse form the loss of the last investment.

They said we are so sorry that you were taken by the other company and we would have told you to not do business with them but now you found us and now you're in good hands. We buy Bank Gurantees, MTN's (Mid Term Notes) from banks for pennies on the dollar and use your money to buy them and then we use these Bank Gurantees and MTN's to make huge daily returns. You can buy a Bank Gurantee through our multi-decade relationships with huge banks HSBC, Credit Suisse, Duetche.

We have been in International Banking for years in fact Mark owns his own bank and Chandler is a trader. You've got nothing to worry about and your money will only be out of your trust for 4-7 days and then we will pay you a minimum of \$15,000,000 a week for a year and we will put it in writing and they did. I transferred \$150,000 to them in November and then they turned nasty.

I started calling them at about day 5 to see how the investment was doing and they said great. I called again a couple of days later and asked where the money was at and they said be patient. I called again in a couple of more days and they said it's Thanksgiving and banks are closed for a few days. I called again in a few more days and they said yes we bought your Bank Gurantee (BG) and we should have your \$15,000,000 first payment in a day or two. Now comes December and I started calling them everyday and they started getting nasty....quit calling us all the time, we have customers from around the world and you're not our only customer. Then came the tough part, they quit taking the calls all together. Communication fell apart. They said they are too busy making money to take calls from people like me "The Investor". They said be patient and we know we told you 4-7 days but if you don't want me to give your money back and cancel the deal, you'd better be patient and quit calling us.

I am now worried, it has been 5 times longer, at this point, then they said it would be on the initial investment timeline and now I can't even call them or ask what is going on. Week after week passed and soon they promised to pay out the \$15,000,000 a week on December 11th 2009 after threatening to call the authorities. BUT still no money, then they said we will make sure you and your families have a GREAT Christmas and all 27 investors will be paid before Christmas. Then came Christmas and yes you guessed it... the banks are closed for Christmas holidays and call back in a week. Then came new years, then came a holiday that is only recognized by international bankers "end of season". Where they all take off for 4-6 weeks. This was getting serious, Mark and Chandler were only returning 1 for every 50 calls made to them and then it was I'd better shut up or they will cancel the deal and I started to get really upset and told them many times just to cancel the deal and return my money and then they would disappear again.

Month after month they manufactured bigger and better excuses and if you didn't like the excuses, they would tell you tough. Finally, I started saying that I am going to come and see them and straighten this out or I would send people to straighten this out. They still didn't call back. I considered the FBI but I was embarrassed and I didn't want to tarnish my own name by lodging an investigation with the FBI. I talked with other brokers that brought their clients to Mark and Chandler to see if they had been paid and they were in the same boat. Mark, started changing the conversations into I'd better not call and yell at them anymore or they would keep the money or cancel the deal. I started yelling even more and threatened action if they don't bring in the contract

exactly as written. Month after month they kept making it my fault that if I was nicer to these two... it would make things better. Finally, I contacted a friend that has connections in the FBI and asked if he could look into these two guys. He simply said RUN! If you can get your money... you'd better grab it and RUN! After another month, I asked for proof of the BG that I had bought and if they couldn't prove it I wanted my money back or I was going to the FBI. They said if you sign a RELEASE that releases us from ALL liability then you can have your money back and 15% more but I was done with the investment angle and said I am not releasing you from liability and keep your 15% and I want my money back or I am going to seek legal recourse.

After dozens of phone calls, text messages, emails and skypes. They finally agreed to wire back my money. This was a glorious day and a sad day as well as I would never realize the dream of the investment. But at least I wasn't taken by another PPP (Private Placement Platform). I waited and sent them a Cease & Desist/Demand Letter. Then they said if your patient, you will be paid out soon as we have your first \$15,000,000 payment and the Bank Guarantee. I said NO just return my money and if you have any respect, you might pay me at least part of the \$15,000,000 per week that you guaranteed me. Heck even one payment of the of the 18 \$15,000,000 payments that you owed me would have made me really happy.

I waited and on the third week of March came the wire... I was so happy.... as I was finally out of this emotional rollercoaster. My Trust was ruined and I quit my career as I was coming into to real money and

I wanted to do charity work like Mark and Chandler but hey, at least I will limp away with a crashed life and \$150,000 to rebuild again. BUT when I went to my Bank account they only wired a partial payment. I was furious as I had to start the whole thing again with Mark and Chandler. All the calls and no answers and emails and texts.... Finally, I threatened the FBI again and then they said it was a simple bank error and said the whole deal is a simple Bank Error and they would get the remainder out to me. I waited another week or two with more phone calls and more emails and more threats and then came another wire and finally I could relax as I have worked months to get my investment back but YOU GUESSED it it wasn't all there. I still haven't received all of my money but I know that there are plenty of people taken by these guys that may never get their money.

WATCH OUT FOR THESE GUYS AND THEIR MANY DIFFERENT SHELL COMPANIES!!!!

EXHIBIT 034 – Lance Flores April 16, 2010 msg. to Koster - Status/Schedule

----- Original Message -----

From: Lance @ MFI

To: Scott Koster

Sent: Friday, April 16, 2010 5:00 AM

Subject: Re: Status/Schedule

Scott – It is Friday, the designated funds pay date documented in previous correspondence. We are at the 4th week of the 2-4 week for the latest scheduled first funding information related by the trader. I assume we will see the first funds today.

We are at least 118 days into the financial transaction. Given, profit fund transfers were expected to begin on January 12th, the trader/banker/platform-owner have a professional ethics responsibility if not a legal obligation to inform all the client-partners, and disclose both the default event and reconciliation plans for the delays, and explanation of all the events. I have scoured the contract, and it appears if there has been any noncompliance and unprofessional behavior, is has been on the part of the aforementioned principals, and not any of the partners or JV clients. Little of their actions comport with PPP and international standards, practices, and policies.

Like you, I depended on the agreement and anticipation that the trade transaction principals would meet contract performance, and shall experience substantial damages and losses as a result of their lack of performance. These guys owe us an explanation and should apologize, moreover, reconcile and perform.

Notwithstanding the loss of credibility, perceived veracity and reputation in the industry, I appears I will loose the studio property will cost an additional \$30M-\$40M, have lost a couple film projects, and most likely several more film projects. Having only needed the first couple of the weekly profit payouts to lever my entire film slate funding via a loan, now most if not all of this financial venture may just pay for the monetary losses. My reputation is not likely reparable. I have place a couple of examples in the post script below.

Please inform me this morning of the scheduled deposit to the paymaster so that I may contact my crews, casts, and producers, and attempt to salvage some of our projects.

Sincerely,

Lance Flores

On 4/13/2010 9:55 PM, Scott Koster wrote:

Lance, I have not heard anything new. Please understand that when I do get updates, I try my best to verify them prior to issuing them out to profit share members. I too am behind on my own projects due to this transaction, but as this funding has been delayed, I have

continued to push forward with other avenues of obtaining funds until this program either pays out, or I am issued a refund.

Also, regarding the ... report, there are always two sides to every story. One client who I brokered in requested a refund, and it was granted to him pending he signed a release of liability. The ... report screwed himself, in that all of us signed a ncnd, as well as an agreement to not purposely attempt to disrupt the funding process by going to external sources prior to exhausting all provisions in the contract. Read through the sanitized doc, and you will understand what I am refering to.

EXHIBIT 035 – Flores Wed, 14 Apr 2010 Msg. to Koster

From: "Lance @ MFI" <lance@mockingbirdfilms.com>
To: Scott Koster <koster.scott@gmail.com>
CC:
Subject: Status/Schedule
Date: Wed, 14 Apr 2010 17:42:59 GMT
Content-Type: text/plain; charset=utf-8

Since you didn't answer the question, may I presume the answer to my question is no?

If it is no, then I shall move forward on that presumption to resolving financial issues and damage control.

Given the history of these guys I expect you'll continue to get the run around and never get a straight answer let alone a documented schedule.

Don't think I can trust these guys to deliver, they've got too many avenues to weasel out.

EXHIBIT 036 – Koster Fri, 16 Apr 2010 response to Flores Wed, 14 Apr 2010 Msg.

(Friday, April 16, 2010 10:15 PM CST)

----- Original Message -----

Subject: Re: Status/Schedule

Date: Fri, 16 Apr 2010 10:15:10 -0500

From: Scott Koster <koster.scott@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>, John Childs <jchilds3@gmail.com>, Kerim Emre <kerim.emre@gmail.com>

Lance,

I understand where you are coming from with all of this. I am sending the fromm my phone, as I am on the road all day today, so there may be some spelling errors, or this may appear to be choppy.

I will reach out againt today, as I do each day, asking if there is any update as to where we are for funding, and if there is an update, good or bad, I will forward it on to you promptly. I too have commitments to make, but fortunately, I did not make any serious financial obligations on my own behalf, as I did not have my funds under my own control.

Please understand that if you wish to back out of this program, you have had full freedom to do so from day one, and that was very clearly known. I am just playing devils advocate regarding this matter. I 100% see where your coming from, but am also aware of your situation and past issues prior to coming into this program.

With all that being said, please get in touch with John or Kerim to learn more about the commodities buy/sell, how that all works, and we can look into timelines and possibilities to move you away from IDLYC, and into that program, not as a 4th party to the transaction, but as a direct principal.

I will follow this up with a phone call later today.

John and Kerim, please read the emails that lance included into this as well, and respond accordingly

> >

> > Lance, I have not heard anything new. Please understand that when I do get updates, I try my be...

>

> Also, regarding the ... report, there are always two sides to every story. One client who I brokered in requested a refund, and it was granted to him pending he signed a release of liability. The ... report screwed himself, in that all of us signed a ncnd, as well as an agreement to not purposely attempt to disrupt the funding process by going to external sources prior to exhausting all provisions in the contract. Read through the sanitized doc, and you will understand what I am refering to.

P.S.

On 4/15/2010 9:26 AM, whilltout@telus.blackberry.net wrote:

- > I am concerned about the continued delay in financing.
- > These are fairly high profile films with Samuel Jackson and now Matt Damon has expressed interest in playing the lead in Gold Coast. If we are forced to shut down the films including the release of Randall it will be all over the trades and Hollywood is a gossip mill.
- >
- > These people and their lawyers are very well connected to politicians and I fear it could get very messy. Not only could we and you get dragged into the fray but all parties connected to the transaction could be exposed both publicly and at government levels.
- >
- > We have waited almost four months now and we have about one week till the entire thing unravels. I cannot hold off people much longer or make any more false promises. Last week the feds released the money and you were supposed to receive funds. I don't understand why they are not released to you. If we don't see funds next week I will have to tell the Denver producers very big players in Hollywood that the funding has fallen through and cancel the August release of the Chevy Chase movie.
- > I'm sorry to put more pressure on you. I don't know if these people are crooks or just don't have the money. Either way Hollywood is built on delivery not excuses. You don't miss broadcast dates, you don't not deliver films to theatres, or miss releases which are booked by marketing people. I can't protect your financial people any longer and I cannot afford to lose my entire reputation in Hollywood. I hope for your sake they deliver but it doesn't look good.
- > Wendy
- > Envoyé par mon BlackBerry Wireless Handheld
- > Lance,
- >
- > I'm disappointed to have to draft this.
- >
- > I truly hope that you can eventually follow through with your claims... as there appear to be many lives in the balance depending upon you.
- >
- > Do NOT bother replying. I no longer want anything to do with Mockingbird films ... I'm pulling "Alter Ego" from you. Too much time has been exhausted already.
- >
- > I wish you and more importantly those talented souls all the best of luck with future endeavors.
- >
- > Sincerely,
- > Brett A. Hart
- > Brett A. Hart
- > [REDACTED]
- > www.SweatEquityProductions.net
- (&c.)

EXHIBIT 037 – Flores 19 Apr 2010 counter response to Koster

**From: "Lance @ MFI" <lance@mockingbirdfilms.com>
To: Scott Koster <koster.scott@gmail.com>
CC: John Childs <jtchilds@gmail.com>, Kerim Emre <kerim.emre@gmail.com>
Subject: Jeopardy of Funds
Date: Mon, 19 Apr 2010 16:04:02 GMT
Content-Type: text/plain; charset=utf-8**

Scott --

Okay, enough is enough. The excuses by Mark have gone far past the absurd. We need IDLYC to resolve everything today. This morning while searching the Internet looking for these guys I ran across another post. It seems the original post by your "screwed himself" guy has been circulating and has drawn some attention.

I'd like to see if we can resolve the pay-out issue before IDLYC funds or bank accounts get locked up by a federal court from a civil suit or by the government because of criminal investigation or complaint. I think the Feds have got wind of Mark and Chandler. Given the Feds willingness to go after Goldman Sachs and their aggressiveness in prosecuting so many /Madoff/ type financial organizations I believe it is a matter of time before they take a hard look at these guys if they are already not doing so.

I don't want to back out now. I have been forced to find financial alternatives and have suffered irrevocable damages so I might as well stick it out to see if they will pay in the next couple of days or so, or the Fed initiate an investigation (which I think is inevitable or even imminent) and/or someone files civil suit.

Sincere best regards.

Lance

P.S. Awaiting the follow up phone call of "later today [Friday]"

EXHIBIT 038 – Emre April 22, 2010 Msg. – Re: Imminent payout schedule / Flores response

----- Original Message -----

Subject: Re: Imminent payout schedule

Date: Thu, 22 Apr 2010 11:10:34 -0700

From: Kerim Emre <kerim.emre@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>

CC: John Childs <jtchilds@gmail.com>, Scott Koster <koster.scott@gmail.com>

Hi Lance,

You were told by Scott that the SEC's investigator got in touch with him and that Scott had been told that things were checked out. You were also told that IDLYC wasn't the hold up and that Scott and his partners were doing everything that they are contractually entitled to do to get the process moving. Scott was advised that funding was imminent.

You advised me that you had your funding handled through Dubai, and that you were just going to wait it out with this program. What exactly has changed?

Best,

Kerim

kerim.emre@gmail.com

Cell: 951-719-4819

Phone: 714-408-4695

Fax: 951-231-9804

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: Imminent payout schedule

Date: Thu, 22 Apr 2010 16:26:55 GMT

Content-Type: text/plain; charset=utf-8

Funds payment has been imminent since January 15th. The gang of four at IDLYC have never given any answer that wasn't a platitude or uncommitted suggestion of payment or non-deterministic or abstract and/or subjective answers; all we now find, no more than the calculus of lies. My determination of IDLYC's "imminent" delivery of funds is that they were packing the money into the delivery bags as you were speaking.

It is well past the moment that they be given a dictate the time and date given delivery, since after three months they have failed and have not produces the contracted deliverable. No more imminent anything. No token payments. I will from here for the collection should IDLYC again to commit to the immediately delivery of funds; a few more imminent 2-4 week promises by IDLYC and it will be Christmas.

Please confirm delivery before 1:00PM CST, April 22

Lance

EXHIBIT 039 – Flores' msgs Sat, Apr 22-24, 2010

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: Imminent payout schedule

Date: Sat, 24 Apr 2010 00:07:20 GMT

Content-Type: text/plain; charset=utf-8

Scott - We must presume that since you cannot answer any inquiries, unable to fulfill fiduciary duties, and that you agree with us to proceed with seeking an alternative means of having inquiries answered

and collection of the funds. We'll send by certified mail a declaration to memorialize the events since December 18, 2009.

Sincerely,

Lance Flores

On 4/23/2010 2:54 PM, Lance @ MFI wrote:

Scott - seems you're away from the farm and on the road all the time > and can't get to the phone. I think we've worked out a way to get the > information we need to move to collection [inferring litigation from telephone conversation]. If any of the partners want to move ahead you may give them my contact information. Lance

On 4/22/2010 3:28 PM, Lance @ MFI wrote:

Issue is: Why after four months do we still get vague adjectives like "imminent" as a response instead of objective discrete definitive answers? Why can't we get an exact date after 125 days instead of the evasiveness we have experienced over the past three months. Either these guys must be wholly incompetent at what they are doing or are involved in fraud and misuse of funds, what answer is there? If there was a legitimate explanation, they had an implied and intrinsic fiduciary duty to present it given the real and potential damages to everyone involved. There has been no documented verifiable legitimate explanation to the contrary. There seems to be no one to which IDLYC is answerable or to which [whom] they have a fiduciary duty to inform.

If you have a definitive answer from IDLYC with an absolute delivery schedule then I would like to be informed, otherwise there is no reason to discuss this any further. We believe the answers will be forth coming and we will respond accordingly.

TNX

L

On 4/22/2010 1:34 PM, Scott Koster wrote:

Lance, I just saw this as well as kerims response...I am having a difficult time understanding what your trying to say in this email.

Please respond. I am on the road today until after 6pm or so, and will be available off and on for the rest of the evening. If it would be easier to chat verbially, we could do that.

EXHIBIT 040 – Koster's April 26, 2010 response to Flores' Reply to Imminent payout announcement

----- Original Message -----

Subject: Re: Imminent payout schedule

Date: Mon, 26 Apr 2010 11:25:18 -0500

From: Scott Koster <koster.scott@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>, John Childs <jchilds3@gmail.com>, Kerim Emre <kerim.emre@gmail.com>

Lance, I am going to copy and paste your below email, and pull a trick from your book, and answer each area the best I can under it in a different color. I am a little fuzzy from the weekend (I have been diagnosed with blood poisoning, and my back is acting up badly, I have two herniated disks, and two degenerating disks between my L1-L5 verts, lots of pain, and I am on pain meds) so please excuse the simplicity of this email. I know you like to make things as clear as you can, and I will attempt to do so in this email to the best of my ability.

[Flores E-mail Msg. of Mon, Apr 26, 2010 at 9:45 AM]

Scott – It has been over 18 weeks (129 days) since this transaction has begun, and in the infrequent responses to inquiries of the status, performance and delivery, there has been no discernible response that has resolved to be accurate and/or truthful. I have the expert opinions of highly experienced experts in the field of trade who are adept in every aspect of such transactions, and given the circumstances, information, and the answers presented as a response to inquiries, these experts find such highly suspect.

[Koster's response]

Lance you are correct in your timelines outlining when this transaction has begun. I talked in great detail about my frustrations with the SEC investigator about these delays, and the gross lack of communication that has come my way in the form of any written, verbal, or hard document proof of this moving forward since the delivery of the swift pre-advise. I would be very happy to do a call with your adept experts of these transactions, to discuss possible options of which direction we could take this if the funding does not take place. I also, as I have stated to you both verbally and in writing, agree that it is alarming that the delays and poor communication have taken place.

[Flores E-mail Msg. of Mon, Apr 26, 2010 at 9:45 AM]

I can find no reason not to fully document the circumstances, conditions, and history of this transaction and formally memorialize all this information.

[Koster's response]

I agree.

[Flores E-mail Msg. of Mon, Apr 26, 2010 at 9:45 AM]

Pursuant to the updates provided in the past seven weeks, beginning with the first instance of response given seven weeks ago (payments to begin 2 to 4 weeks from that instant), the second

instance one week later (payments to begin 2 to 4 weeks from that instant), and the third instance (payments to begin 2 to 4 weeks from that instant), the declared schedule of first funds (for delivery on the 4th week) was set for the week of the 18th of April, 2010; the transfer date to the escrow account occurring on 23rd. Even by SWIFT the funds should arrive today, Monday the 26 of April, 2010, notwithstanding the original scheduled transfer set on January 8th, 2010, on which no transfer was made, and none made hence.

[Koster's response]

Again, I agree with you, but when I am passing on information, all that I can do is pass that on. I have no bearing or authority to force a solid follow through, or force their hand into action of such outlines. Even with your outline above that you calculated for funding, the point you are trying to make is null, as they have been very open about the delays, regarding them taking place, even without giving reason. We have all agreed to them, and not one of us has contested in requesting a refund. I personally have come close, but I did not, and I will get to that here in a moment.

[Flores E-mail Msg. of Mon, Apr 26, 2010 at 9:45 AM]

Now, therefore, we should be able to contact the paymaster, whose contact information we all have, to confirm the delivery of the funds this morning, April 26th, 2010 and throughout the day. It would be helpful if we can locate the SWIFT transaction number to track the origination to delivery to the Well Fargo account.

[Koster's response]

If all of what you outlined above were followed through on by the funding group, I would agree 100% with you. We absolutely should, according to their most recent outlines of general funding timelines, have some level of proof of funding coming in to us. At this point, we simply do not. Now with all of this being said, after I got out of the hospital on Friday, I did have a call with Mark for about 10min regarding everything. I sent him a flurry of emails and text messages, which in a very polite way, explained that things would get out of control, and regardless of what was happening behind the scenes to make this happen, would ultimately cause the funding, even if it were legit, to get locked up. As you know, the options in which you were looking at, would do accomplish that, as the investigative process for such financial investigations are to seize and sort. In telling him this, he re-affirmed what I had heard from a 3rd party, but not from him, that on Thursday, April 22nd, at 4:30PST, he received conformation of funding moving forward, and that the funds had been sent to accounts under the control of IDLYC and/or their partners (he did not specify exactly where they were going, but referred to them as OUR accounts), and that he would talk with me after 3PM PST on monday to discuss the timeline in which myself as a principal would be receiving my initial investment back, as well as the first scheduled payout.

[Flores E-mail Msg. of Mon, Apr 26, 2010 at 9:45 AM]

This should put us on the same page. I expect we should have verification of the funds today.

[Koster]

With all of this being put in writing, I have to say Lance, that I thought we have been on the same page several times, and then you go off on tangents such as this. I want us to be on the same page, I honestly 100% do, but when you tell me on the phone that you want to wait until the end of the

month, then move over to another program, you tell your broker that your fine just waiting, but your frustrated, then you send me, after our talks about holding off, emails about litigation and other talks of pursuing legal means of forcing hand, it makes me un-nerved, and slightly concerned of your true intentions. I am being open and honest regarding these matters in this particular forum, as we are all in this together, and I feel that not just you and I need to be on the same page, but John and Kerim as well.

Respectfully,

Lance Flores

[Koster]

Scott Koster

[Koster's Enclosure]

On Mon, Apr 26, 2010 at 9:45 AM, Lance @ MFI <lance@mockingbirdfilms.com> wrote:

Scott -- It has been over 18 weeks (129 days) since this transaction has begun, and in the infrequent responses to inquiries of the status, performance and delivery, there has been no discernible response that has resolved to be accurate and/or truthful. I have the expert opinions of highly experienced experts in the field of trade who are adept in every aspect of such transactions, and given the circumstances, information, and the answers presented as a response to inquiries, these experts find such highly suspect.

I can find no reason not to fully document the circumstances, conditions, and history of this transaction and formally memorialize all this information.

Pursuant to the updates provided in the past seven weeks, beginning with the first instance of response given seven weeks ago (payments to begin 2 to 4 weeks from that instant), the second instance one week later (payments to begin 2 to 4 weeks from that instant), and the third instance (payments to begin 2 to 4 weeks from that instant), the declared schedule of first funds (for delivery on the 4th week) was set for the week of the 18th of April, 2010; the transfer date to the escrow account occurring on 23rd. Even by SWIFT the funds should arrive today, Monday the 26 of April, 2010, notwithstanding the original scheduled transfer set on January 8th, 2010, on which no transfer was made, and none made hence.

Now, therefore, we should be able to contact the paymaster, whose contact information we all have, to confirm the delivery of the funds this morning, April 26th, 2010 and throughout the day. It would be helpful if we can locate the SWIFT transaction number to track the origination to delivery to the Well Fargo account.

This should put us on the same page. I expect we should have verification of the funds today.

Respectfully,

Lance Flores

EXHIBIT 041 – 4/27/2010 - 4/29/2010 (3Messages) - W9 & Payment Schedule

----- Original Message -----

Subject: Paymaster docs
Date: Tue, 27 Apr 2010 21:08:52 -0700
From: Kerim Emre <kerim.emre@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>

Hi Lance,

Here is the link to the W9. The paymaster will contact you as soon as money hits his account with the paperwork that he needs from you, as for security reasons I can't provide that stuff to you, he will need to receive it from you directly. He has your email address and will contact you as soon as the money hits the paymaster account.

www.irs.gov/pub/irs-pdf/fw9.pdf

From previous experience, you'll only need a short CIS, a retainer agreement, and the W9.

Best,

Kerim

kerim.emre@gmail.com

Cell: 951-719-4819

Phone: 714-408-4695

Fax: 951-231-9804

----- Original Message -----

Subject: Re: Paymaster docs
Date: Wed, 28 Apr 2010 09:06:53 -0700
From: Kerim Emre <kerim.emre@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>

Perfect. As soon as we get notification of payment being sent we'll get paperwork over to him!

Sent from my iPhone

On Apr 28, 2010, at 8:50 AM, "Lance @ MFI"
<lance@mockingbirdfilms.com> wrote:

- > I have the W9 prepared and ready to send to:
- >
- >
- > Paymaster Coordinates:
- > Name/ Address: Global Paymasters, LLC, Liberty Lake, W A

>
> Represented by:
> David B. Kaplan, Esq., Manager
> Title: Paymaster
> Passport # USA 222990851
> Nationality: American
>
> Bank Name: Chase Bank
> Bank Address: 270 Park Avenue, New York, N Y 10017
> Intermediary Bank
> ABA # 021000021
> SWIFT: CHASUS33
> Account Name: David B. Kaplan Attorney-at-Law JOLTA Trust Account
> Account No. [REDACTED] 2377¹
> Bank Officer: Fery Sabouri
> Bank Telephone/Fax # 206.461-2025; fax 206-554-2604

----- Original Message -----

Subject: Re: W9 Information
Date: Thu, 29 Apr 2010 08:06:59 -0700
From: Kerim Emre <kerim.emre@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>
CC: John Childs <jtchilds@gmail.com>

The w9 form will be sent to GPI directly. Global won't take any of the paperwork until funds are sent. As soon as Scott let's us know it's been sent to the paymaster, we'll submit it.

Sent from my iPhone

On Apr 29, 2010, at 7:14 AM, "Lance @ MFI" <lance@mockingbirdfilms.com> wrote:

> ----- Original Message -----
> Subject: Re: W9 Information
> Date: Wed, 28 Apr 2010 19:05:14 -0500
> From: Scott Koster <koster.scott@gmail.com>
> To: Lance @ MFI <lance@mockingbirdfilms.com>
>
>
> Lance, funds have not posted as of today. I received two email updates today, that after talking to mark about, I will be sending off to you and the others.

¹ Redacted pursuant to Fed. R. Civ. P. 5.2 "... a party or nonparty making the filing may include only: ... (4) the last four digits of the financial-account number."

>> On Apr 28, 2010 5:29 PM, "Lance @ MFI" <lance@mockingbirdfilms.com> wrote:

>>

>> Scott - know the funds must be in so I prepared the W9 for the Paymaster. Just need an update/instructions where to send the executed W9. TNX Lance

EXHIBIT 042 - John Childs May 4, 2010 msg. - Concerning Flores litigation outlook

----- Original Message -----

Subject: Re: Update regarding Profit Share Members/IDLYC

Date: Tue, 4 May 2010 08:01:27 -0700

From: John Childs <jchilds3@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>

CC: Kerim Emre <kerim.emre@gmail.com>, Scott Koster <koster.scott@gmail.com>

Lance,

Thank you for the clarification. I could not agree more. The longer this goes on there will be continued and increasing complaints. That will undoubtedly lock up any funds that are forthcoming.

It seems to me that it would be simple for Mark and the others at IDLYC to simply have their attorneys draft a letter which can be distributed to principals and their PSA clients explaining where things are at. Since they are unwilling to provide "proof of performance" this would be an easy remedy that would alleviate a lot of concerns.

Sent from my iPhone

On May 4, 2010, at 7:46 AM, "Lance @ MFI" <lance@mockingbirdfilms.com> wrote:

> John --

>

> I read Scott's message after retrieving it from the junk mail folder. I want to state that nothing I say or opinions I give should be construed as legal advice and I am not holding to be legal counsel for anyone related to the IDLYC transaction. I am only providing personal opinion I have formed from personal experience and observation based on litigation experience and related knowledge of civil/criminal law.

>

> If we use Aristotelian test of the mean between extremes, which will be the equity test of the law applied to the present situation, the more secrecy, privacy, non-participant disclosure, and layered secrecy of the transaction upon the client, the greater the burden of disclosure and fiduciary duty to the financial institution, in this case, IDLYC, and personally, Mark and Chandler. The less disclosure to the client creates a greater responsibility for contractual performance and fiduciary duty of IDLYC. This makes their

contractual adherence more brittle, not less.

>

> Additionally, because of greater burden of performance and fiduciary duty IDLYC has imposed upon itself, there is a corresponding client expectation for IDLYC to perform as well as their adherence to contract and the veracity from its principals, and a course of which damages may arise as a result based on reasonable expectations of IDLYC failure to perform and their apparent or what may be construed as wanton deceit. (One might give a read of the pleading of the recent government civil suit against the Goldman Sachs board members relating to the SEC unregulated sections).

>

> I could go on in extreme detail of the IDLYC legal vulnerability and fragility, but I have expressed my general concern about, inter alia, the deficiency of IDLYC's veracity and forthrightness ad nauseam, and need not expound on their legal liability. It is my concern that, those with nothing further to loose by being "booted" or others frustrated with IDLYC have recourse out of a claim of IDLYC's continuing pattern of constructive fraud among other related tortuous actions. Should litigation result, delivery of some or all of the payments, if they are at all real, will be suspended during litigation.

>

> Where there is smoke there is, as in this case, a smoldering mass of tender; and, I'd like to get what I or we can before a forest fire breaks out.

>

> On 5/3/2010 11:11 PM, John Childs wrote:

>> Just curious as to what you are seeing?

>>

>> Sent from my iPhone

EXHIBIT 043 – Koster's May 5th Msg. Response to Flores' '[It's] Come to Jesus Time' Notice
----- Original Message -----

Subject: Re: Come to Jesus Time for Mark & Chandler
Date: Wed, 5 May 2010 16:04:59 -0500
From: Scott Koster <koster.scott@gmail.com>
To: Lance @ MFI <lance@mockingbirdfilms.com>

LMAO, Lance, I like your way of thinking...Im sorry, and I can tell your frustrated man. I am too. Lets talk to night when I am back in the real world with no distractions.

On Wed, May 5, 2010 at 3:00 PM, Lance @ MFI <lance@mockingbirdfilms.com> wrote:

Okay so you don't want to rock the boat. So we should wait another day, two to four weeks, two to four months, two to four years. What? Please enlighten me on your expectations.

He cannot give that kind of answer to a Federal Judge. Well he can, but he will have to do it in Federal Prison when he is held on contempt of court. See, being held on contempt charges may help him focus, give him time away from the hustle and bustle of high-finance world. Maybe get that extra exercise he may need, perhaps even find a new romance.

On 5/5/2010 2:06 PM, Scott Koster wrote:

Lance, Read into this as you will. I had a long talk with Mark last week about showing us proof, and his statement was clear and short. <snip>

Again, please read into this as you will.

—

Scott A. Koster

EXHIBIT 044 – Flores Thursday, June 24, 2010 6:46 AM - Legal Notice

----- Original Message -----

From: Lance @ MFI

To: Scott Koster

Sent: Thursday, June 24, 2010 6:46 AM

Subject: Re: Fwd: What happened to call

Scott Koster

June 24, 2010

Scott what will it take to get you to fulfill the fiduciary duty or even keep appointments?

①→You stated on June 14, 2010, at or about 11:32 AM CST, that you would call me to discuss further matters concerning the Gold Buy/Sell transaction, IDLYC/BMW Majestic trade matters, investment fund issues dates including demand letters and responses, SBLC resources, and my resources for monetizing instrument including my resource for 200% gold-backed collateral for funds (to which I responded within 48 hours).

②→I iterate again the precepts of the duty of fiduciary responsibility, but in more detail the the last, for which I shall elaborate in a formal correspondence by U.S. Mail later today that shall also include the breach of those duties, damages and the reasonable expectation upon which damages have occurred. I hope we can find way to reconcile the difficulty you have in finding a way to directly communicate for more that 40 minutes in a six month period of time. Please call so we can move this process along. Et seq.

③→*The principles defining and governing fiduciary duty arise out of the law of equity.*

The basic fiduciary relationships generally involve two parties: (i) entrustors (e.g., clients, in the context of investment relationships), who grant certain powers and/or authority over their property to another party in order to receive certain services; and (ii) fiduciaries, who agree to take and use such powers and/or property to perform the designated services for the entrustors' benefit.

By granting such powers and/or property to their fiduciaries, entrustors risk being harmed by the fiduciaries (through embezzlement, misuse of authority, negligence, etc.) This risk is increased by the high costs associated with monitoring the actions of fiduciaries. These costs arise, in part, from fiduciaries' specialized skills and superior access to information as compared to entrustors, which may permit fiduciaries to effectively conceal activities from entrustors until after significant harm is inflicted.

As a result of these risks, the common law evolved over time to impose certain substantive duties on fiduciaries that limit their freedoms. Specifically, courts have imposed two primary duties on fiduciaries:

- (i) the duty of loyalty; and*
- (ii) the duty of care.*

Fiduciary law thus vests in entrustors the legal right to rely on the integrity and honesty of their fiduciaries and the quality of the services they provide. From these overarching duties, various obligations have been imposed on fiduciaries under the common law.

Sincerely,
Lance Flores

EXHIBIT 045 – Wed, June 29TH thru July 1ST, 2010 Msg. fr Flores & Clarkson (4 Msg.)

Flores Demand for Payout Performance

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: W9 Information

Date: Thu, 29 Apr 2010 15:03:53 GMT

①→Don't need any more updates from Mark. His updates are just manufactured excuses to deceive and delay; Mark has provided no definitive or substantiated reasons for his delays. He needs to transfer the funds today.

On 4/28/2010 7:05 PM, Scott Koster wrote:

>

> Lance, funds have not posted as of today. I received two email updates
> today, that after talking to mark about, I will be sending off to you
> and the others.

>

>> On Apr 28, 2010 5:29 PM, "Lance @ MFI" <lance@mockingbirdfilms.com

>> <mailto:lance@mockingbirdfilms.com> wrote:

>>

>> Scott - know the funds must be in so I prepared the W9 for the
>> Paymaster. Just need an update/instructions where to send the
>> executed W9. TNX Lance

Clarkson 1ST Request

----- Original Message -----

From: Vicki Clarkson

To: koster.scott@gmail.com

Cc: Kerim Emre ; Wendy Hill -Tout ; lance @ MFI

Sent: Tuesday, June 29, 2010 4:44 PM

Subject: Update request

Hi Scott,

As per my voicemail to you, I have seen correspondence back and forth over the past week but no tangible information.

②→Below is an outline of what I'm looking for.

Please provide the tracking numbers for the letters that were sent to IDLYC. We would all like to

understand the exact date that IDYLC has to refund the money. As per our conversation, 2 weeks ago, IDYLC has 30 days to return the funds to you, what we don't know is what is the final date they have to return the funds.

(For example, if the letter was received by IDYLC on June 16, then based on a 30 day refund time frame, we can expect the funds returned to you by July 16, 2010.)

Please provide the last date IDYLC has to return the funds.

Help me understand why two weeks has gone by and it doesn't sound like we are any further ahead today than we were in the middle of June. If I'm missing something, please advise.

Regards,

Vicki Clarkson

2ND Request

----- Original Message -----

From: Vicki Clarkson

To: koster.scott@gmail.com

Cc: Lance @ MFI ; Kerim Emre ; jchilds3@gmail.com

Sent: Wednesday, June 30, 2010 2:23 PM

Subject: Update with info on IDLYC/BMW Majestic

Hi Scott,

③→Thanks for the attached. Please forward a copy of the demand letter as well to Lance.

Regards,

Vicki

3RD Request

----- Original Message -----

From: Vicki Clarkson

To: koster.scott@gmail.com

Cc: Lance @ MFI ; Wendy Hill -Tout ; kerim Emre ; jchilds3@gmail.com

Sent: Thursday, July 01, 2010 3:38 PM

Subject: Demand letter

Hi Scott,

④→Please advise when you will be sending a copy of the demand letter. I spoke with Lance

earlier today and he said he has not yet received a copy.

In addition, is there anything to report with regards to the refund. The letter that you sent stated that the refund should be sent June 30, 2010. What is the status of the refund? Have you spoken to IDYLC/BMW Majestic?

Regards,

Vicki

EXHIBIT 046 – Flores June 13 Msg. to Koster - 177TH Day Notice - Exceeds 150 Status & Requests or Verifiable Documentary Evidence of Legitimacy

From: "Lance @ MFI" <lance@mockingbirdfilms.com>

To: Scott Koster <koster.scott@gmail.com>

CC:

Subject: Fwd: Re: Update

Date: Sun, 13 Jun 2010 18:24:57 GMT

Content-Type: text/plain; charset=utf-8

To: Scott Koster

From: Lance Flores

Date: Sunday, June 1[3], 2010

- * It has been 177 days, almost 6 months since we began this investment
- * There never has been a definitive explanation of the schedule of transactions, other than verbal and email promises.
- * We've never had any verifiable documentation on any legitimate [transactions] having taken place -
 - o except for the initial bank transaction of initial transfer of funds into the investment,
 - o telephone inquiries into the status of investment transactions, and
 - o email inquiries into the status of investment transactions, these we can verify;
- * this accounts for over 150 inquiries of the status for which there is no means to verify any legitimate transaction_ outside the initial investment, and none by the parties having a fiduciary responsibility,
- * still waiting on June 2nd response to your June 1st, 2010 update and June 8th update after the day's close of business.

It appears we are back to the same old William Chandler Reynolds - Mark Gelazela - Idlyc Holdings Trust - BMW Majestic routine. None of this is either legitimate nor professional business practice.

What will it take to get verifiable proof of the legitimacy of transactions and veracity of the parties having fiduciary responsibility. Thus far none of the principals at IDLYC Holdings Trust or BMW Majestic proven to be reliable, trustworthy, truthful, nor forthcoming; further, there is no proof of legitimacy nor accountability of any of these individuals.

There are only two ways of reasonably resolving the truth and all of the issues at hand_. I pray you take this seriously and respond with haste and forthrightness tomorrow Monday, June 12, 2010.

Best regards,

Lance Flores
Mockingbird Films International

On 6/11/2010 5:27 PM, Lance @ MFI wrote:

> ----- Original Message -----

> The 6/9/2010 6:58 PM CST update: *"I will update you after the close
> of business."* What happened?

> Lance

>

> On 6/9/2010 6:58 PM, Lance @ MFI wrote:

>> 6/9/2010 6:58 PM CST

>>

>> And the update?

>>

>> On 6/8/2010 1:19 PM, Scott Koster wrote:

>>>

>>> Hey guys,

>>>

>>> Just to expand on that alittle <snip>

>>>

>>> <snip> I did an email thismorning from the owner of IDLYC stating

>>> that he would reach out to me today. *I will update you after the

>>> close of business.

>>> *

EXHIBIT 047 – Koster Wed, 30 Jun 2010 Msg. Explanation of BMW Majestic Role

----- Original Message -----

Subject: Update with info on IDLYC/BMW Majestic

Date: Wed, 30 Jun 2010 11:13:31 -0500

From: Scott Koster <koster.scott@gmail.com>

To: Lance @ MFI <lance@mockingbirdfilms.com>

CC: Kerim Emre <kerim.emre@gmail.com>, John Childs <jchilds3@gmail.com>

Lance,

I am putting together this email so that you can forward on to Vicky, and update her on the status of where we are. On June 18th, I received an email, with an attachment from IDLYC, which was being provided to all parties on the request of BMW Majestic. This document, addressed to principals, outlined their commitment to returning each and every individual principals initial investment, on or before June 30th, which is today. A few days prior, I received an email from Mark of IDLYC, containing a request for me to verify my banking coordinates for the refund, as he had not yet received my refund request documents in the mail. I told him at this point, that I would resend them by USPS Certified Mail, to include signature conformation. ①→ This was done on June 15th, the day after I received the document from BMW Majestic, and was received by IDLYC on June 18th, which was confirmed by the tracking number, as well as a phone call and email from Mark of IDLYC.

I had a lengthy phone conversation with him regarding timelines and what he knows regarding the ability/willingness of BMW Majestic to issue the refund, as he had the direct relationship with them, and ②→ I had my contract with his bank. He felt very strongly that they had both the ability, and the commitment to all parties to issue the refunds within the timeline stated in the document that was sent.

Now in this, today is the date outlined by them for the refund deadline, and I have a meeting with my attorney at 4pm CST to discuss this, and the next step for us. To date, no refund has been issued, and I do not foresee it happening today as outlined in the document. As I stated very early on in this process, it is always my intention to use the least level of force necessary to get things done, and only escalate when that level of force is not being effective. ③→ I feel, as does my attorney, that we are at the point of escalation. I do not yet know what will happen, and how we plan to push this forward, but I want to do so in a cost effective manner, and with the lowest possible risk of having the whole thing turn back, and lock up the funds due to litigation or investigative process.

④→ It is still my intention, as soon as we are given the green light to proceed on the buy/sell, to move on it as quickly as possible. If that requires using funds that are not directly related to the IDLYC transaction, then the documents will be put in place at that time, to allow that to happen without recourse to the parties involved. As you can see, something like that is easy on the outside, but has legal ramifications that must be viewed as well.

⑤→I am including a copy of the letter sent to me by IDLYC/BMW Majestic, as well as the tracking number for the Cert Mail docs that were delivered.

While I appreciate and understand that you are under pressure to get things moving, please understand that on my end, the last thing that I am doing is resting on this. I have truly been putting in 10-14hour days on the phone/computer, working different files and angles, to ensure that the business that is currently moving forward still moves forward, and the files that need the current and direct attention, are getting the proper level of attention. I look at it almost like a battle field triage. Those who can wait, or will not fail by being put on hold, are, while those that need the direct and immediate attention, are getting it promptly.

⑥→That is not to say that you are not important, but everything that can be done at this level of force has been done, and it is not time to escalate.

--
Scott A. Koster
koster.scott@gmail.com
info@alicorncapitalmanagement.com
Direct: 612-916-7007
Conference Line: 218-844-8230
Access Code: 380262#
Skype: alicorn.capital

Attachment: bmwmajesticUpdateletterJune142010.pdf (Exhibit "UU")

Attachment: tracking info.txt

Label/Receipt Number: 7009 1680 0000 2703 8236
Class: First-Class Mail®
Service(s): Certified Mail™
Return Receipt
Status: Arrival at Unit

Your item arrived at 6:13 AM on June 18, 2010 in LOS ANGELES, CA 90034.
Information, if available, is updated periodically throughout the day. Please check again later.

Detailed Results:

Arrival at Unit, June 18, 2010, 6:13 am, LOS ANGELES, CA 90034

EXHIBIT 048 – Purported Correspondence Informing Investment Return to Principals

**BMW MAJESTIC & AFFILIATES LIMITED
2849 Gretna Rd
Branson, MO 65616
LLC Number LC0781139**

Date: June 14, 2010

Subject: Update on Return of Funds

To: All Clients/Resellers

To All;

It has been requested that we officially inform you as to the progress of the return of your investment.

We are clearly committed to the return of all invested monies along with the 10% fee to each and every one of you. We, along with you, are clearly disappointed with the results of the investment plan originally expected to be profitable for us all and are working to return all monies by June 30, 2010 or sooner.

Thanks for your patience

Sincerely ①

Board of Directors of BMW Majestic

EXHIBIT 049 – Jun 30, 2010 at 1:45 PM Msg. fr Wendy Hill-Tout - Challenging Legitimacy of BMW Majestic Board of Directors Correspondence.

On Wed, Jun 30, 2010 at 1:45 PM, Wendy Hill-Tout <whilltout@voicepictures.com> wrote:

This is a scary letter. No signature, not on letterhead, from the board of directors. No one legitimate does this. I received information about their company (BMW/Majestic) and they are an entertainment restaurant company. Not confidence assuring in terms of trades.

Have they truly actually paid out some people that you are in contact with or just said so?

Wendy

EXHIBIT 050 – Clarkson-Flores April 23RD 2010 Skype IM Conversation – Discovery of Koster Office Location Same as Home Address

[2:38:44 PM] Vicki Clarkson: here

[2:41:30 PM] Vicki Clarkson: [23/04/2010 7:41:28 AM] Vicki Clarkson: Good morning Lance...

[23/04/2010 7:41:37 AM] Lance Flores: Lance Flores is away. This is an auto-reply message.

[23/04/2010 7:46:20 AM] Lance Flores: Good morning .. well this is it .. D Day. If "imminent" is imminent then this the contractual payout day the funds will be paid. Otherwise we will send an invoice and collection letter, and folow up with the involuntary bankruptcy filing against Scott and IDIYC.

[23/04/2010 7:47:55 AM] Vicki Clarkson: I'm hopeful that today is the day! Lots of hard ache will be avoided for alll...

[23/04/2010 8:09:53 AM] Lance Flores: Vicki would you forward the address Scott provided for the bank transfer please. Thanks

[23/04/2010 8:10:14 AM] Vicki Clarkson: Sure..

[23/04/2010 8:10:28 AM] Vicki Clarkson: just looking..

[23/04/2010 8:11:31 AM] Vicki Clarkson: 14391 - 80 St. Milaca MN.. sorry no zip code

[23/04/2010 8:17:56 AM] Vicki Clarkson: Lance, I just looked at the address on google earth and it is literally in the middle of no where.. just land...

[23/04/2010 8:18:38 AM] Vicki Clarkson: Maybe I'm just paranoid.. I thought I had found the actual address in the address book back in December..

[23/04/2010 8:28:49 AM] Lance Flores: 14391 80th St.
Milaca MN 56353-4318

[23/04/2010 8:29:12 AM] Vicki Clarkson: Yes...

[23/04/2010 8:29:12 AM] Lance Flores: Lance Flores is away. This is an auto-reply message.

[23/04/2010 8:30:41 AM] Vicki Clarkson: I was poking around and found him online for unpaid fines to the Milaca fire department LOL.. this address shows as of Jan 15, 2009

[23/04/2010 8:33:23 AM] Lance Flores: That's good. We have his residence and I'll look up his land title. This is why he is on the road.

[23/04/2010 8:36:13 AM] Vicki Clarkson: Yes, hey... does this look like a phone number to you?
612-916-7007

[23/04/2010 8:36:33 AM] Lance Flores: Yes ..

[23/04/2010 8:37:01 AM] Vicki Clarkson: He had a motor bike posted for sale and left this number and this email addresss koster.scott@gmail.com

[23/04/2010 8:37:52 AM] Lance Flores: #

Contact Us – Alicorn Capital Management

Contact person: Mr. Scott Koster; Address: 14391 80th St Milaca; Zip code: 56353; Telephone:

612-916-7007 begin_of_the_skype_highlighting 612-916-7007

end_of_the_skype_highlighting; Fax: 763-389-2018 ...

www.tradetuber.com/acmbuysell/contact.htm - Cached

#

Names, Numbers And Location - MNSBR - Page 29

15 posts - 13 authors - Last post: Mar 4, 2009

sak1782 - Scott Koster - 612-916-7007 begin_of_the_skype_highlighting 612-916-7007

end_of_the_skype_highlighting (cell) airman2001 - Larry - 763-221-3569

begin_of_the_skype_highlighting 763-221-3569 end_of_the_skype_highlighting (cell, texting prefered) ...

www.mnsportbikeriders.com/forums/index.php?showtopic=1584... - Cached

[23/04/2010 8:38:31 AM] Vicki Clarkson: LOL.. funny...

[23/04/2010 8:39:07 AM] Lance Flores: So much for Kerim as a filter for his calls.

[23/04/2010 8:39:18 AM] Vicki Clarkson: LOL... way too funny!

EXHIBIT 051 – Plaintiffs' Discovery of Koster's Direct Phone Contact Information

LinkBack Thread Tools Search this Thread Display Modes	
<p>06-05-2009, 03:26 AM</p> <p>sak1782</p> <p>FS: Stock 03 Silver/Blue Hayabusa 8200 miles \$6,000</p> <p>Scott Koster Princeton/Milaca Minnesota 612-916-7007 or email: koster.scott@gmail.com 2003 Hayabusa w/8200 miles Price 6,000 VIN: JS1GW71A632100653</p> <p>Hey all. This is only my second post, but I have been a "lurker" for about 2 years now. I just recently picked up a second busa (the third that I have owned now), and need to sell my '03. Its 100" mechanically stock. The only things that arent stock, are the CF mirrors, and the clear front turn signals. Everything else is stock.</p> <p>My brother tipped it over on the left side pulling out of my driveway at just under 5mph. It broke the left mirror, and scratched up the fairing a little. Its not too bad, but worth mentioning, as it is noticable. I have priced it to reflect the damage.</p> <p>I just recently (first week in may) had a full tuneup, all fluids changed, and new tires put on at St. Cloud Suzuki. I will include a factory leather tank cover, the mirrors that were on there with the Hayabusa logo blinkers etched into the mirrors, the rear seat, and grab bar. I also have the factory amber signal lenses.</p> <p>Im not interested in any trades, unless it is a trade plus cash. The bike is priced to move, as I need to recoup from buying this 07 that I need to go pick up 🙄</p> <p>I will be posting pictures here shortly. I will be riding it still, while I tear into the 07, so the mileage may be slightly higher than the 8200 that it is today.</p> <p>Thanks for looking.</p> <p><small>Last edited by sak1782; 06-05-2009 at 03:29 AM.</small></p>	<p>#1 (permalink)</p> <p>Join Date: Jun 2009 Group: Members Posts: 15</p>

EXHIBIT 052 – Flores April 16TH Msg. – 118TH Day Notice (83 Days into Payout Default) – Legal Notice of Legal Obligation to Inform client-partners – Notice of Damages and Harm

—— Original Message ——

From: Lance @ MFI

To: Scott Koster

Sent: Friday, April 16, 2010 5:00 AM

Subject: Re: Status/Schedule

①→Scott – It is Friday, the designated funds pay date documented in previous correspondence. We are at the 4th week of the 2-4 week for the latest scheduled first funding information related by the trader. I assume we will see the first funds today.

②→We are at least 118 days into the financial transaction. Given, profit fund transfers were expected to begin on January 12th, the trader/banker/platform-owner have a professional ethics responsibility if not a legal obligation to inform all the client-partners, and disclose both the default event and reconciliation plans for the delays, and explanation of all the events. I have scoured the contract, and it appears if there has been any noncompliance and unprofessional behavior, is has been on the part of the aforementioned principals, and not any of the partners or JV clients. Little of their actions comport with PPP and international standards, practices, and policies.

Like you, I depended on the agreement and anticipation that the trade transaction principals would meet contract performance, and shall experience substantial damages and losses as a result of their lack of performance. These guys owe us an explanation and should apologize, moreover, reconcile and perform.

③→Notwithstanding the loss of credibility, perceived veracity and reputation in the industry, I appears I will loose the studio property will cost an additional \$30M-\$40M, have lost a couple film projects, and most likely several more film projects. Having only needed the first couple of the weekly profit payouts to lever my entire film slate funding via a loan, now most if not all of this financial venture may just pay for the monetary losses. My reputation is not likely reparable. I have place a couple of examples in the post script below.

Please inform me this morning of the scheduled deposit to the paymaster so that I may contact my crews, casts, and producers, and attempt to salvage some of our projects.

Sincerely,

Lance Flores

On 4/13/2010 9:55 PM, Scott Koster wrote: *&c.*